

1                                   **WAGANAKISING ODAWAK STATUTE #**  
2                                   **TRIBAL GOVERNMENT BUDGET FORMULATION and MODIFICATION**  
3                                   **STATUTE**

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6   **SECTION I.                   PURPOSE AND SHORT TITLE**

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8                   The purpose of this Statute is to mandate a process and deadlines for the Tribal  
9   Government to follow in the formulation and implementation of the annual Tribal  
10   governmental budget. It may be cited as the “Budget Act.” This Statute repeals and replaces  
11   Waganakising Odawak Statute 2015-016, 2005-11, 2007-003 and 2007-004 and WOS 2008-  
12   004 Process for Appropriation of Supplemental Funding Statute.

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15   **SECTION II.                 DEFINITIONS**

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18   **A.**       “Chief Financial Officer” or “CFO” is the Little Traverse Bay Bands of Odawa  
19   Indians tribal government Chief Financial Officer.  
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21   **B.**       “Committee” means the Tribal Council standing Appropriation and Finance  
22   Committee consisting of the Treasurer and two Councilors.  
23  
24   **C.**       “Fringe Benefits” means the non-wage expenses for the benefit of employees that  
25   includes, but is not limited to, Health, Dental and Vision Insurance, Disability Insurance,  
26   Unemployment Benefits, Worker’s Compensation Insurance and Employer-Portion of FICA  
27   Insurance.  
28  
29   **D.**       “Fund” means a segregated, self-balancing account used to record revenues,  
30   expenditures, assets, liabilities and other financial transactions for a specific purpose, activity  
31   or objective.  
32

1 **E.** “Fund type” for the purposes of this statute means funds distinguished by the monies  
2 or revenue source, i.e. Grant/Federal Contract Funds, Cost recovery, and General Fund.

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4 **F.** “General Fund Balance” also known as “Prior Period funds” means the prior years’  
5 unrestricted general fund dollars that were budgeted but not expended in the year they were  
6 budgeted and that are returned to the general fund unrestricted balance available for  
7 appropriation in subsequent years.  
8

9 **G.** “Governmental Branches” mean the Legislative, Executive and Judiciary branches of  
10 government and for the purposes of this statute shall also include the Election Board and  
11 Prosecutor; and sub-entities including tribally chartered corporations.  
12

13 **H.** “Indirect Costs” means the expenses that are incurred in joint usage of internally  
14 servicing a government program and are not directly assign or identify with a direct program  
15 or function, such as Accounting, Human Resources, and Administration.  
16

17 **I.** “Indirect Cost Rate” means the formula used by United States Department of the  
18 Interior that pools all of the indirect costs on an annual basis through an allocable, approved  
19 plan.  
20

21 **J.** “Maintenance or Space Costs” means the costs of all the government office building  
22 upkeep, allocated on a square foot basis. Costs include the wages and fringe of maintenance  
23 staff, cleaning and maintenance supplies and equipment, repairs made for regular upkeep,  
24 snow removal and lawn care, and utilities, including telephone and internet service.  
25

26 **K.** “LTBB” or “Tribe” or “Tribal” means the Little Traverse Bay Bands of Odawa  
27 Indians.  
28

29 **L.** “Tribal-wide Budget Worksheet” means the worksheet that lists governmental  
30 departments and individual programs, i.e. Emergency funds, Burial Assistance funds, that is  
31 attached to the Resolution and it becomes the approved budget for that fiscal year  
32

1 **M.** “Tribal Council” means the elected body created under Article VII of the Little  
2 Traverse Bay Bands of Odawa Indians Tribal Constitution.

3  
4 **N.** “Treasurer” means the Little Traverse Bay Bands of Odawa Indians Treasurer as  
5 provided for in the Constitution.

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8 **SECTION III. FISCAL YEAR**

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10 The fiscal year shall be from January 1 to December 31.

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13 **SECTION IV. APPROPRIATION AND FINANCE COMMITTEE**

14  
15 **A.** In accordance with the Tribal Treasurer Responsibility Statute, the Committee has the  
16 authority to request documents and information and shall report to the full Tribal Council  
17 through the Treasurer’s report.

18  
19 **B.** Tribal Council shall request a recommendation by the Committee prior to approving  
20 any action required by this Statute.

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23 **SECTION V. ANNUAL BUDGET CALENDAR**

24  
25 **A.** By **January 21<sup>st</sup>** of the year prior to the Annual Budget Fiscal year, a budget calendar  
26 will be approved by Tribal Council and posted on the Tribal website.

27  
28 **B.** The budget calendar shall include the dates for the following:

- 29  
30 **1.** The Annual Meeting  
31 **2.** Accounting Department distribution for Budget Procedures  
32 **3.** Report of the General Fund Balance to Tribal Council



1           **4.**     Cost of Living (COLA)  
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4   **SECTION VIII.       GENERAL FUND REVENUES ANNUAL BUDGET**  
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6   **A.**     Any unrestricted general fund dollars that were budgeted but not expended in the year  
7 they were budgeted shall automatically be returned to the general fund unrestricted balance,  
8 known as the “General Fund Balance”, unless otherwise approved by Tribal Council. General  
9 Fund Revenues are the unrestricted monies received by the Tribal Government from  
10 enterprises and other sources. For Budget purposes the General Fund includes current year  
11 anticipated revenue, any remaining unrestricted funds from prior years known as the General  
12 Fund Balance and any funds that have been restricted as Supplemental Funding, but are  
13 unspent. Each year, by **February 1st**, the Office of the Treasury, with information and  
14 assistance from the Accounting Department, shall report to Tribal Council the General Fund  
15 Amounts that include approximate amount of the “General Fund Balance” and the  
16 anticipated amount of revenue that may be utilized to formulate the budget.  
17

18   **B.**     Each year, by **February 15th**, Tribal Council shall approve the Governmental  
19 Branches allocation amounts of general funds that each branch of government may utilize for  
20 their base budget for the following Fiscal Year.  
21

22   **C.**     The allocated amounts of general funds will be based on anticipated revenues,  
23 anticipated outlays, available funds and historical numbers for the last three (3) years of  
24 actual spending by Governmental Branches.  
25

26   **D.**     Tribal Council may also, by Tribal Resolution, allocate and restrict any anticipated  
27 revenue, any remaining unrestricted funds from prior years known as the General Fund  
28 Balance and any funds that have been restricted as Supplemental Funding, but are unspent  
29 from the prior year to be set aside for the proposed Governmental Branches budgets.  
30  
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32   **SECTION IX.       COST RECOVERY FUND ANNUAL BUDGET**

1  
2 **A.** Cost Recovery Revenues include Fringe Benefits, Maintenance, Indirect Costs and  
3 other restricted revenues.  
4

5 **B.** The budget shall be based on anticipated Cost Recovery Revenues in the year being  
6 planned, current fund balance for the Cost Recovery Pool, anticipated outlays, and historical  
7 numbers for the last three (3) years of actual spending by Governmental Branches.  
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10 **SECTION X. GRANT/FEDERAL CONTRACT BUDGET**

11  
12 **A.** Grant/Federal Contract Revenues are recurring or anticipated monies that are received  
13 by the Tribe that includes but not limited to Indian Health Services, IHS; Bureau of Indian  
14 Affairs, BIA 638; Native American Housing Assistance and Self Determination Act,  
15 NAHASDA; and any other reasonably anticipated funds.  
16

17 **B.** Tribal Council shall approve the Grant/Federal Contract Revenues budget as part of  
18 the Tribal-wide budget by the annual meeting.  
19  
20

21 **SECTION XI. BUDGET SUBMISSIONS**

22  
23 **A.** All proposed Governmental Branches budgets whether utilizing General Fund  
24 Revenues, Grant/Federal Contract Revenues shall be submitted to Legislative Office by  
25 **March 15th** of each year. Such budgets shall be made available to the Chief Financial  
26 Officer.  
27

28 **1.** If there is a deletion of any program or service, a justification as to why the  
29 program or service is no longer needed or not sustainable shall be provided  
30 with the proposed budget by the Branch of Government.  
31

32 **2.** If there are any additions to program or service, a justification as to why the

1 program or service is necessary shall be provided with the proposed budget by  
2 the Branch of Government.

3  
4 **B.** Based on the input from the public hearings, Tribal Council may make deletions or  
5 additions to Governmental Branch budgets. If there is any deletions or additions, Tribal  
6 Council shall notify the appropriate entity after all public hearings have been conducted.

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9 **SECTION XII. BUDGET HEARINGS**

10  
11 **A.** Budget Hearings may be held by Tribal Council, the Committee or both.

12  
13 **B.** All hearings shall be posted, held in open session and shall not require a quorum of  
14 Tribal Council and/or Committee.

15  
16 **C.** Governmental Branch hearings are held to gather information from one or more  
17 Department Managers, Department Directors, Branch Managers or other appropriate  
18 authorized staff.

19  
20 **D.** Any Department Managers, Department Directors, and the Branch Managers or other  
21 appropriate authorized staff may request a time for a Governmental Branch hearing.

22  
23 **E.** All Governmental Branch hearings shall be held during the first full week of April.

24  
25 **F.** A Public hearing for Tribal Citizenship input shall be held during the second full  
26 week of April. At the Public hearing, copies of the draft budget will be provided to the  
27 Tribal Citizens.

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29 **SECTION XIII. APPROVAL PROCESS**

30  
31 1. Tribal Council shall approve the annual budget by the annual meeting.

- 1 2. The annual budget shall be approved by Tribal Resolution and shall include an  
2 attached detailed worksheet of the tribal-wide budget.  
3
- 4 3. The Tribal Council approved budget shall be available for Tribal Citizens at the  
5 Annual Meeting, in accordance with the Constitution.  
6
- 7 4. The budget shall be deemed enacted if not expressly vetoed by the Tribal Chair  
8 within thirty (30) days of submission.  
9
- 10 5. If the Chair vetoes the budget, then he or she must submit an Executive proposed  
11 signed Tribal Resolution and new proposed budget along with the veto to Tribal Council  
12 within the thirty (30) day time period allowed for the veto.  
13
- 14 6. The Chair's veto and proposed budget must be made available to Tribal Citizens and  
15 posted to the Tribe's website.  
16
- 17 7. Tribal Council may enact a budget by either overriding the veto by an affirmative  
18 vote of seven (7) Councilors or alternatively enact the Chair's submitted signed Tribal  
19 Resolution with the proposed budget by an affirmative majority vote of Tribal Council. In  
20 enacting the Chair's proposed budget, Tribal Council shall approve it as presented and shall  
21 not make any changes, additions or deletions to the proposed budget.  
22
- 23 8. If the veto is not overridden within the time period as set forth in the Administrative  
24 Procedures Act, nor has Tribal Council approved the Chair's proposed budget, the last  
25 enacted budget will take effect at the beginning of the fiscal year.  
26  
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28 **SECTION IX. ALLOCATION OF GENERAL FUND BALANCE**  
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- 30 A. Upon approval of the budget, Tribal Council may allocate and restrict any anticipated  
31 revenue, any remaining unrestricted funds from prior years known as the General Fund

1 Balance and any funds that have been restricted as Supplemental Funding, but are unspent  
2 from the prior year.

3  
4 **B.** The funds will be restricted by Resolution and will identify a specific classification of  
5 how the funds may be used, i.e. Supplemental Funding, Economic Development, Investment,  
6 sinking fund, or other specific use.

7  
8 **C.** Funds shall only be used for the restricted use as stated in the enacted Resolution.  
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11 **SECTION XIV. SUPPLEMENTAL FUNDING PROCESS**

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13  
14 **A.** Supplemental funding shall be appropriated by Resolution from the monies that have  
15 been designated and restricted for Supplemental Funding.

16  
17 **B.** A request for supplemental funding shall include the following information:

18  
19 **1.** The reason for the requested supplemental funding:

20 **a.** Emergency

21 **b.** Specific additional service or program

22 **c.** Deficiency budget;

23  
24 **2.** A brief narrative;

25  
26 **3.** The amount requested;

27  
28 **4.** Required signatures;

29  
30 **5.** From where the funding is being requested, i.e. “prior year funds”.  
31

1 **C.** All requests must be received in accordance with Tribal Council and/or Committee  
2 Policy. Such policies shall include dates and deadlines for submissions, posting requirements  
3 and the approval process.

4  
5 **D.** Special Tribal Council or Committee meetings may be called for emergency funding  
6 requests.

7  
8 **E.** Any monies not expended during the fiscal year shall revert to General Fund Balance  
9 funds.

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12 **SECTION XV. BUDGET MODIFICATIONS**

13  
14 **A.** No monies can be moved between two different revenue sources. Revenue sources  
15 are General Funds, Cost Recovery, and Grant/Federal Contract Funds.

16  
17 **B.** Within a fiscal year, no more than 4% of the total amount of either budget can be  
18 moved between two different departments or individual program not within a specific  
19 department as listed on the approved Tribal-wide Budget Worksheet, without Tribal Council  
20 approval. Such requests shall be posted for comment on the Tribal website for at least seven  
21 (7) days prior to Tribal Council approval. Tribal Council shall act on the request within  
22 thirty (30) days of receipt of the request.

23  
24 **C.** Operating Budget Modifications are the transfer of monies between line-items within  
25 an individual fund within the same fiscal year are allowable, within the following criteria:

26  
27 **1.** Prior to approving any budget modification involving space costs, the CFO  
28 shall ensure that all space costs are adequately funded.

29  
30 **D.** All budget modifications must be reviewed by the CFO to ensure that no material  
31 change in an existing service or program is altered either in nature or scope. If there is a  
32 material change in an existing service or program by either a change in the nature or scope of

1 the service or program, then the budget modification shall be submitted to Tribal Council for  
2 approval.

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5 **SECTION XVI. ADDITIONAL REVENUES**

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7 **A.** If actual revenues during a fiscal period exceed the projected revenues, the CFO, on a  
8 quarterly basis, will report to Tribal Council the amount of excess funds, the date of the  
9 receipt of the funds and the funding source.

10  
11 **B.** If actual revenues during a fiscal period fall short of projected revenues, Tribal  
12 Council shall take necessary actions to ensure that funding for approved budgets is available  
13 by adding additional sources of revenue to the budget or shall declare a budget emergency.

14  
15 **SECTION XVII. EMERGENCY BUDGETS/RECISSIONS**

16  
17 **A.** At any time during the fiscal year the Treasury Office, based on a revenue analysis  
18 and other factors, may recommend to Tribal Council to declare a budget emergency.

19  
20 **B.** If Tribal Council declares a budget emergency, Tribal Council shall provide guidance  
21 and criteria for amended budgets that must be submitted by the Governmental Branches  
22 within the timeframe provided by Tribal Council. All amended budgets must be passed by  
23 Tribal Resolution.

24  
25 **C.** Upon the declaration of a budget emergency by Tribal Council, Tribal Council shall  
26 take necessary steps to notify Tribal Citizens of the impact of the budget emergency.

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29 **SECTION XVIII. SYSTEMATIC REDUCTIONS OF BUDGETS**

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31 Only through an approved Resolution may any systematic cuts to budgets occur.

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**SECTION XIX. CHECK SIGNERS**

The Tribal Chair shall have the authority to designate check signers and file the appropriate authorized forms to carry out this function.

**SECTION XVIII. SAVINGS CLAUSE**

In the event that any phrase, provision, part, paragraph, subsection or section of this statute is found by a court of competent jurisdiction to violate the Constitution, laws or ordinances of the Little Traverse Bay Bands of Odawa Indians, such phrase, provision, part, paragraph, subsection or section shall be considered to stand alone and to be deleted from this statute, the entirety of the balance of the statute to remain in full and binding force and effect.

**SECTION XIX. EFFECTIVE DATE**

Effective upon signature of the Executive or 30 days from Tribal Council approval whichever comes first or if the Executive vetoes the legislation, then upon Tribal Council override of the veto.

**SECTION XXI. OTHER RELATED STATUTES**

See Waganakising Odawak Statute (WOS) 2014-001 Tribal Treasurer Responsibility, WOS 2011-013 Treasury Statute, and WOS 2011-009 Accounting Statute, or as may be amended.

**CERTIFICATION**

DRAFT